Correspondence Examination Automation Support (CEAS) – Privacy Impact Assessment

PIA Approval Date – Oct. 23, 2009

System Overview:

Correspondence Examination Automation Support (CEAS) is a suite of web-based applications developed to enhance the service center examination process through the automation and centralization of the tax examination process. CEAS provides a centralized database that enables expedition of cases that can be processed within Wage and Investment (W&I) and Small Business–Self–Employed (SB/SE) business units.

Systems of Records Notice (SORN):

- IRS 34.037--IRS Audit Trail and Security Records System
- IRS 42.001--Examination Administrative File
- IRS 00.001--Correspondence Files and Correspondence Control Files

Data in the System

1. Describe the information (data elements and fields) available in the system in the following categories:

A. Taxpayer –The CEAS application stores individual taxpayer data extracted from the Master File, into an Oracle database. In addition CEAS will store this same taxpayer information in two log files:
- An application log file that is utilized to help resolve errors that occur during operation;
- An Unauthorized Access (UNAX) log file that provides an audit trail of which examiners access each individual case.

The information stored in the Oracle database and in the two log files is sufficient to identify the taxpayer and his or her case. This data requires protection under the provisions of the Privacy Act of 1974 (as amended). Taxpayer information includes several categories, including:
- Business credits information
- Business deduction information
- Business exemption information
- Business expenses information
- Business income information
- Business payment information
- Taxpayer credits information
- Taxpayer deduction information
- Taxpayer exemption information
- Taxpayer expenses information
- Taxpayer income information
- Taxpayer payment information

Within these categories, the CEAS application looks at the following fields to perform its function:
- Assessed tax liability
- Balance due amounts
- Business EIN (or other TIN)
- Business taxpayer address

- Business taxpayer name
- Dividends
- Employment status
- Gambling winnings
- Individual SSN
- Individual taxpayer address
- Individual taxpayer name
- Interest income
- Interest paid
- IRA contribution

Miscellaneous income
- Other credits
- Payments
- Power of Attorney (PAO)
- Proceeds from real estate transactions
- Proceeds from stock sales
- Refund checks sent
- Student loan interest
- Tax period
- Taxpayer Identification Number (TIN)
- Tuition payments
- Wages earned
- Withholdings

B. Employee – The CEAS application Oracle database located on the TIER II servers at Enterprise Computing Center–Memphis (ECC-MEM) will hold within its table's employee information requiring protection under the Privacy Act of 1974. In addition the CEAS application stores this same employee information in two log files:
- An application log file that is utilized to help resolve errors that occur during operation; and
- A UNAX log file that provides an audit trail of which examiners accessed which cases.

The Employee data elements are provided below:
A. System User ID
B. Standard Employee Identifier (SEID)
C. Password

C. Audit Trail Information – The Audit Trail data elements are provided below:
- Date time stamp (e.g., date and time of the event);
- Unique identifier (e.g., username, SEID,
- application name, or application initiating the event);
- Type of event;
- Origin of the request (e.g., terminal ID) for identification/authentication of events;
- Name of object introduced, accessed, or deleted from a user's address space;
- Role of user when creating the event; and
- Success/Failure of the event

For systems that store or process taxpayer information, audit trail records for the transactions identified above includes the following data elements, where applicable:
- Type of event (e.g., command code);
- Terminal and employee identification;
- Date and time of input;
- Account accessed to include the Taxpayer Identification Number (TIN);
- Master File Tax (MFT); and
- Tax period

2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.

A. IRS – CEAS application inputs (listed in 1.A) are received from the following IRS databases/files:
- Corporate Files On–Line (CFOL)
- Individual Returns Transactions Files On–line (IRTFOL)
- Audit Information Management System (AIMS)
- Automated Campus Exam (ACE)
- Reports Generation Software (RGS)

ACWM subsystem receives data from:
- Dependant Database (DepDB)
- CEAS

B. Taxpayer – The CEAS application does not receive any information directly from the Taxpayer. All information contained in the system is received from one of the IRS databases/files listed in 2.A.

C. Employee:
- System User ID
- Standard Employee Identifier (SEID)
- Password

3. Is each data item required for the business purpose of the system? Explain.
Yes. All data items are essential to meet the business purpose of the system.The data contained in CEAS is used to support W&I and SB/SE divisions by allowing the users to conduct their Examination of tax returns more efficiently.

4. How will each data item be verified for accuracy, timeliness, and completeness?
There are field level checks for all input fields of the CEAS interface. The input validation parameters limit the type of input and enforce input for required fields. Another method used to ensure input accuracy is through the use of drop down lists. In these cases the specific selections automatically populate related data fields.
- Data Completeness – Key data items are verified for accuracy, timeliness, and completeness at the time of input. These data fields include:
  - Taxpayer Identification Numbers (TIN)
  - Dates
  - Standardized lists

Some data fields do not validate input in order to allow free form text to be entered by the user. Some examples of data fields that do not contain validation checks include:

- Action notes
- Comments
- Status codes
- Names
- Addresses

A quarterly clean–up process occurs to identify discrepancies in RGS ID Code to the Service Center ID code, and orphan data (message not related to case summary). Refer to the standard operating procedure (SOP) document for additional details. Users must have a logon to the system and be in the correct group to access the data. They are also controlled at the application level by limiting which menu they can access based on their logon.

5. Is there another source for the data? Explain how that source is or is not used.
No. There are no additional sources for CEAS data.

6. Generally, how will data be retrieved by the user?
The CEAS system will display a listing of cases to users and allow them to view them and depending on their level of authorization, access them. Managers and system administrators will periodically run reports on the system to determine the status of cases within the system and to evaluate system performance (number of cases processed).

7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?
Yes. CEAS will display a listing of cases to users and the TIN is one of the data elements that helps uniquely identify a case within CEAS. When a user selects a case to view from a listing of cases, the query that selects the case information will use the TIN.

Access to the Data

8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?
ACWM User Community has four categories of users:
- Users that can edit data;
- Users that view non–sensitive but unclassified (SBU) data;
- Users that view Personally Identifiable Information (PII) reports; and
- Users that administer ACWM accounts.

ACWM is just an invoicing system for exam cases; most of its data is not sensitive. It stores and uses mostly inventory levels and ordering information. ACWM does display reports on exam selection information, and a small series of these reports contains PII data, such as Tax Preparer information. A specific role (SECUREVIEW) was created for users who need to view these reports, and only a limited number of users have accounts under this role. Users that need to load the exam plan information, or load the analytical data or edit the weekly invoices are users under the "Analysts" type roles. All others are just viewers. Lastly is the User Administration role, these users can administer the system and user accounts.

- ACWM Users Roles:
    - Corporate   Analyst
    - WI Analyst
    - SB HQ Analyst

- Campus Viewer
- Report Viewer
- MITS Viewer
- User Administrator
- Secure View

Unattended Case Processing (UCP) allows for four major functionalities of users: Set the filter configurations on the ACE exam inventory (GUI), Control the selection of Discretionary inventory that will go into ACE, View reports regarding the selection and filtering of cases going into ACE, Administer UCP user accounts.

- UCP Users Roles:
  - Campus User
  - Campus Coordinator
  - System Administrator
  - Campus Coordinator
  - Headquarters Analyst
  - Headquarters Analyst
  - Headquarters Analyst
  - UCP User Administrator

The CEAS User Communities has two categories of user types for CEAS.
1. Exam Operations – The users who have to actually work the exam case and exam inventory.
   - Exam Operations:
     - Campus User Community
     - Field User Community
     - National Research User Community

2. Non–Exam – The users who need access to exam cases for only view, so they can assist the taxpayer(s) request.
   - Non Exam:
     - Appeals User Community
     - Taxpayer Advocate User communities
     - Treasury Inspector General for Tax Administration (TIGTA)

Campus sites are made up of exam groups, and users are associated under a campus exam group. There may be dozens of exam groups under the exam operations at a campus, most having at least 1 manager, 1 clerk and a group of tax examiners. User roles associated with a campus are: Examiner, Clerk or Manager, Department Head, Operations Manager, RGS Coordinator, and Campus System Administrator.

Examiners, Clerks and Managers will have RGS installed on their campus Common Operating Environment (COE) desktop, so they can download/upload cases from the CEAS server. RGS Client also enables the users to view and edit the exam cases within their workstation inventory. They are connecting from within the IRS firewall. Some sites have both Day Shift and a Night Shift exam group.

The following are the CEAS Campus sites:
- Atlanta Campus
- Andover Campus

- Austin Campus
- Brookhaven Campus
- Cincinnati Campus
- Fresno Campus
- Kansas City Campus
- Memphis Campus
- Ogden Campus
- Philadelphia Campus

Number of Sites: 10 campuses
Number of Groups: 407
Number of Users: 4,060
Number of System Administrators: 20
Active Cases: 1.5 million
Archive Cases: 6 million

Field users process their exam cases in person, meaning taxpayers walk into the area/territory office where the audit is conducted "face–to–face", or the agent is sent to meet with the taxpayer "face–to–face". Either way the revenue agent is associated with an Area Office. Currently there are 10 Area Offices with approximately 9,524 users nationwide. User roles associated with an Area Office are:
- Examiner
- Clerk or Manager
- RGS Coordinator
- System Administrator

Field users at the Area Offices have COE workstations with RGS installed and are connecting from domains within the IRS firewall. Some examiners have laptops and are connecting via ERAP, but they are still connecting within the IRS firewall. The following are the Area/Territory Offices:
- North Atlantic
- Central
- South Atlantic
- Midwest
- Gulf States
- Western
- California
- Employment
- Estate and Gift
- Excise

National Research Project (NRP) users process a sampling of measured inventory. Statistics from this sampling of exams will help direct the compliance strategy for future inventories. NRP users are associated with their survey exam units. Because this is a limited inventory where small samplings are disbursed out to various examiners, NRP tends to have many exam groups scattered nationwide. Most of these examinations are done via correspondence audit. Although the NRP user is physically located in an existing Campus/Area Office exam unit, they pull up their assigned NRP inventory from the centralized inventory, by using their NRP RGS account.

Appeals users do not conduct the original examination; however they are sent a copy of the electronic case as a source to start their appeals investigation. All appeals users are associated

under one of two Appeals groups. Because they will need to review/edit their copy of the exam case in its entirety, Appeals users will have the RGS Client loaded on their COE workstation. It is important to note that the original examination remains intact within its original database, be it campus, field, or NRP. The appeals case remains within the Appeals environment, and does not overlay the original exam.

Other communities have "View Only" access to the exam case in order to assist in answering taxpayer inquiries, or will be doing quality review of exam cases, such as TIGTA representatives. They do not have access to edit the case examination, they are only able to view summary information and the supporting exam documents (i.e. audit reports, statutory notices, case history information, etc…).

9. How is access to the data by a user determined and by whom?

Access to the CEAS system is established through the IRS Form On–Line 5081 (OL5081). Each employee must be granted access to the CEAS application and server in writing. Specific permissions (Read, Write, Modify, Delete, and/or Print) are defined on the OL5081 form and set (activated) by the System Administrator prior to the employee being allowed network and CEAS access. The IRS Form OL5081 is maintained on file with the SA.

10. Do other IRS systems provide, receive, or share data in the system?   If YES, list the system(s) and describe which data is shared.

Yes. The following IRS systems receive or share data with CEAS:

- Individual Returns Transactions Files On–line (IRTFOL) – Individual taxpayer return information is retrieved from the Master File as a Return Transaction File (RTF) in either Extended Binary Coded Decimal Interchange Code (EBCDIC) or American Standard Coded Information Interchange (ASCII) format and used in RGS to develop cases.
- Audit Information Management System (AIMS) – Used to track cases under audit and undergoes real–time audits where the Master File is updated on a weekly basis.
- Automated Campus Exam (ACE)
- Reports Generation Software (RGS) – Used to make changes to taxpayer information and generate reports that are sent to the taxpayers. Provides inventory, computations, work papers and correspondence for users as well as an electronic download of RTF return data, electronic upload of assessment and closed case data to AIMS.
- Automated Case Workload Management (ACWM) – CEAS provides inventory levels to ACWM which then requisitions work from the Dependent Database.
- Examination Operation Automation Database (EOAD) – provides data to allow tracking of adjustments by issue and enhances the ability to identify specific areas of non-compliance based on Examination results.
- Dependent Data Base (DepDB) – A selection tool to collect records to be audited.

11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?

Audit Information Management System (AIMS)
- Certification and Accreditation (C&A) – May 11, 2009
- Privacy Impact Assessment (PIA) – February 11, 2009

Reports Generation Software (RGS)
- Certification and Accreditation (C&A) – May 9, 2007
- Privacy Impact Assessment (PIA) – April 23, 2009

Dependent Database
- Certification and Accreditation (C&A) – May 9, 2009
- Privacy Impact Assessment (PIA) – February 20, 2009

12. Will other agencies provide, receive, or share data in any form with this system?
No. Other states or local taxing agencies may receive data contained in the system indirectly though the Examination Operational Automation Database (EOAD).

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period?
Case files, case information is stored in the Oracle database. Audit trails will be stored in text log files. Data has been retained in the application since it was developed. Taxpayer case file information as well as audit trails are archived and maintained in accordance with IRM 1.15.2 Chapters 16 and 22. CEAS automatically produces hardcopy letters for filing, which are filed in Return Files according to IRM 1.52.2, Records Management, and dated January 1, 2003. Electronic case data storage occurs on a near-line unit (Clarion SAN). The CEAS application follows disk sanitization procedures for destruction of discarded media in accordance with IRM 2.7.4.

14. Will this system use technology in a new way?
No. CEAS is using existing technologies, to connect users across the ten IRS Campuses to increase efficiency and coordination. Before, users were unable to automatically share information regarding their cases with other users in difference campuses.

15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.
Yes. Users access taxpayer information to develop and examine tax returns. Employee information is needed when filing the OL5081 to attain User ID and passwords and to give users certain permissions to limit their roles. Audit trails are necessary to ensure accountability and maintain system security.

16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring.
The CEAS system will monitor the actions taken by its users. The CEAS system administrator will control authorized access to the system. CEAS uses Java and .NET functionality (garbage collection) that prevents unauthorized and unintended information transfer via shared system resources. "Garbage collection" is a term used to describe how objects are destroyed in an effort to keep others from reusing them. UNAX logs are kept indefinitely and available for review when there is a suspected violation.

17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently?
No. The returns have already been marked for audit.

18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?
Yes. CEAS allows examiners to select individual cases to view/access and even allows examiners to record contact (phone calls, letters, etc) from the taxpayer.

19. If the system is web–based, does it use persistent cookies or other tracking devices to identify web visitors?
Yes. The system is web based, but will only be available to IRS employees over the IRS intranet. The CEAS will not use persistent cookies as described in IRS and OMB directives.

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